

Mutual Fund Industry Urges Congress to Pass 401(k) Legislation Before Adjourning, September 2002

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Washington, DC, September 30, 2002 - The mutual fund industry today urged Congress to enact bipartisan legislation to help working Americans achieve financial security and a sound retirement through their 401(k) plans.

“For more than twenty years, 401(k) plans have been a tremendous opportunity for millions of American workers who are saving for retirement,” the Investment Company Institute, the national association of America’s mutual funds, said in a [message to Congress](#).

“The vast majority of working Americans who invest in 401(k) plans remain focused on their long-term retirement goals, despite recent unsettling events and market conditions,” the Institute said. “But it is important, before Congress adjourns, to help 401(k) investors expand their knowledge about investing, better monitor their retirement savings and, for the first time, gain easy and affordable access to professional advice about their investment choices and retirement savings objectives.”

Congress is now positioned to enact bipartisan legislation on behalf of 401(k) investors to accomplish these goals:

- Diversification: allow workers to diversify out of company stock in a much shorter period of time;
- Disclosure: require that workers receive quarterly statements showing the value of their retirement investments with a prominent reminder about the benefits of diversification;
- Education: provide workers with ready access to concise, easily compared summaries of key information about their investment options; and
- Advice: ensure that workers have easy and affordable access to professional investment advice that is designed solely to help them achieve their goals, and is subject to uncompromising, unambiguous legal standards.

“With so much agreement on issues of such importance, we urge Congress to act by passing 401(k) legislation now. It’s never been more important and there’s never been a better opportunity,” the Institute said.